

December 29, 1997

Draft Water Transfer Discussion Paper No. 2

**Recommendations to BDAC and CALFED
from Water Transfer Work Group on
Solution Options for
Third Party Impacts and Groundwater Resources Protection**

At the first BDAC Water Transfer Work Group meeting, participants identified third party impacts and groundwater resources protection as priority issues for consideration. CALFED Staff proposed a process which would allow the Work Group to focus its efforts on developing solution options and, if possible, policy recommendations to BDAC and CALFED regarding these issues.

The other technical and operational issues identified in the July 17, 1997, Discussion Paper were referred to the Transfers Agency Group (TAG) for development of issue papers and policy questions to be brought back to the Work Group at the appropriate time.

Subsequent Work Group meetings centered on presentation of case studies which provided "real world" illustrations of transfer projects and third party impacts and groundwater issues.

At the November and December Work Group meetings, participants "brainstormed" solution options and produced a rough list of ideas to be considered in developing policy recommendations for addressing third party impacts and groundwater resource protection. From these, a more refined list of options was generated by CALFED staff and discussed and further refined by the BDAC work group participants. The refinement focused on creating options which participants can support as part of a water transfer policy framework incorporated into the long-term CALFED Bay-Delta Program.

Support for the refined solution options was not and will not be unanimous. Support in some cases must be considered tentative or conditional, depending on other aspects of the policy framework, how the policy is implemented, or other components of the CALFED Program. Nevertheless, the list of solution options below is supported by a significant number of stakeholders in the BDAC work group. The major themes of the broadly supported solution options are:

- baseline data collections;
- neutral party analysis and monitoring of transfers;
- cumulative impact analysis;
- public disclosure of data and analysis; and
- public participation in the transfer review process.

More specifically, the solution options discussed and supported by the BDAC work group can be described as functions to be performed or managed by an institution or entity as yet undefined. They include:

- Research and development as necessary to establish credible and adequate baseline information on groundwater conditions and groundwater/surface water interaction.
- Extensive groundwater monitoring programs before, during and after specific water transfer projects.
- Development of analytical requirements for specific water transfer projects based on the type of water transfer (e.g., intra-basin, inter-district, change in purpose of use, instream or environmental use, out of basin).
- Adequate, project-specific environmental review and analysis of each water transfer proposal.
- Basin-wide planning goals for surface and groundwater resources.
- Public disclosure of all pertinent information on each water transfer proposal, through a process funded by transfer proponents, and public participation in the review and approval process, including:
 - public notice of proposed water transfer projects;
 - public disclosure of water transfer proposals and plans, explanation of anticipated impacts and mitigation strategies;
 - disclosure and explanation of claims process for parties seeking compensation for damages resulting from water transfers
 - decision making by the transferor in and through the public process; and
 - educational programs for the public regarding water transfer terminology, process and technical information.

The Work Group also expressed a view with respect to a concept which should not be part of a CALFED water transfer policy framework - the idea that a physical limit should be imposed on the amount of water which a region or political entity may transfer. The sense of the Work Group was that this decision should be made at the local level, provided that the process is adequate to protect local interests from adverse impacts of the transfer.

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